

SENATE BILL 281

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2lr0940

By: **Senator Frosh**

Introduced and read first time: January 26, 2012

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Civil Actions – Contract Actions Against Maryland Automobile Insurance**
3 **Fund – Limitation on Actions**

4 FOR the purpose of altering the period within which a certain lawsuit against the
5 Maryland Automobile Insurance Fund is required to be filed as a condition of
6 bringing a contract action against the Fund; and generally relating to the
7 State's conditional waiver of sovereign immunity in contract actions.

8 BY repealing and reenacting, without amendments,
9 Article – State Government
10 Section 12–201
11 Annotated Code of Maryland
12 (2009 Replacement Volume and 2011 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – State Government
15 Section 12–202
16 Annotated Code of Maryland
17 (2009 Replacement Volume and 2011 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article – State Government**

21 12–201.

22 (a) Except as otherwise expressly provided by a law of the State, the State,
23 its officers, and its units may not raise the defense of sovereign immunity in a contract
24 action, in a court of the State, based on a written contract that an official or employee

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 executed for the State or 1 of its units while the official or employee was acting within
2 the scope of the authority of the official or employee.

3 (b) In an action under this subtitle, the State and its officers and units shall
4 have the immunity from liability described under § 5-522(d) of the Courts and Judicial
5 Proceedings Article.

6 12-202.

7 (A) [A] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A
8 claim under this subtitle is barred unless the claimant files suit within 1 year after the
9 later of:

10 (1) the date on which the claim arose; or

11 (2) the completion of the contract that gives rise to the claim.

12 (B) A CLAIM UNDER THIS SUBTITLE AGAINST THE MARYLAND
13 AUTOMOBILE INSURANCE FUND ARISING OUT OF AN INSURANCE POLICY
14 ISSUED BY THE FUND IS BARRED UNLESS THE CLAIMANT FILES SUIT WITHIN 3
15 YEARS AFTER THE LATER OF:

16 (1) THE DATE ON WHICH THE CLAIM AROSE; OR

17 (2) THE COMPLETION OF THE CONTRACT THAT GIVES RISE TO
18 THE CLAIM.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 October 1, 2012.